

Ms. Beth Reiley
Administrator
Senate Committee on Environment and Natural Resources
Oregon State Legislature
900 Court St
Salem, Oregon

March 10, 2015

Re: SB 246 Establishing an On-site Septic System Loan Fund.

Dear Chair Senator Edwards and Committee Members,

Thank you for the opportunity to provide testimony concerning Senate Bill 246, establishing an on-site septic system loan fund, with a low-income priority.

The Deschutes County Citizen's Action Group, or CAG, commends the Department of Environmental Quality for addressing this area of need among Oregon's rural homeowners. In spirit and in general, CAG supports SB 246, with certain reservations:

1. We have some reservations concerning Section 3(2)(a) and Section 5(1)(a), in that we believe there needs to be a defined limit on administrative costs, especially if the funds are contracted out to third-party administrators. We fear that a large portion of any funds appropriated or donated could end as administrative costs.
2. We believe that too few on-site septic system choices are available to Oregon. The choices are either the standard system (Chevrolet) or the currently approved alternative treatment system (ATT, Bentley). Consistent with that belief, CAG fears that loans and grants to low-income homeowners will be limited to the ultra-costly ATT systems when there are cost-effective and affordable systems available and in use throughout the world. We would support an amendment that addresses the need to ensure that upgrades address affordability. Much like the affordability index computed for sewer system rates, interest rates and eligibility for grants should include a measure of affordability.

Respectfully submitted,



John Huddle, EdD
President

